question for you gentlemen to decide. All I am attempting to do is to explain to you the basis of this legislation and the purpose of it.

As I have said, the provision whereby the widow of a man who was receiving a 50 per cent pension shall receive a widow's pension on his death is a social welfare measure to a very large extent.

You all know, of course, if the man dies, of his pensioned disability regardless of what percentage he is receiving, the widow is automatically entitled to a pension. That is not quite so much a social welfare measure, but that pension stems from the entitlement of the pensioner himself and the widow and children have no entitlement.

Supposing this situation arose, where a man in receipt of a 70 per cent pension died, therefore on death the widow is automatically entitled to the widow's pension. But supposing he is killed in an accident in which his widow can take action against a third party and, perhaps, sue to the tune of $100,000. The legislation simply provides that where that happens the state will not assume any responsibility.

If the total amount of the compensation awarded as a result of suing the third party is less than the total amount of the pension the widow would have received during her lifetime we pay the difference in pension.

If the total amount of compensation as a result of having sued a third party is more than the pension which would have accrued to her over her lifetime, then she does not get any pension.

I hope I have explained the legislation clearly. It is a little difficult to explain at times, but the whole basis of it is simply this: where the widow is eligible for a pension because her husband had a 50 per cent or greater pension, the legislation provides the state shall not assume responsibility if she can sue somebody else and get the equivalent or greater amount than she would have received if she had taken the pension.

It is difficult to explain, but I will be glad to try to answer any questions on it.

Mr. CARTER: In a case where the Canadian Pensions Commission pays the difference between what the widow receives and what she would be entitled to under the veterans act, is that payment made on a monthly basis?

Mr. ANDERSON: It can be either that, or on a cash basis.

Mr. CARTER: Should it be made on a cash basis and, in the course of time, the rates are revised so that she would be entitled to more at a later date, is there any revision in that cash amount?

Mr. ANDERSON: Yes, if she receives anything in the form of a pension at all.

Mr. CARTER: Even in a single cash settlement, five or ten years later she would be entitled to further payment, if there was a revision upwards?

Mr. ANDERSON: Yes. And I know of instances where cash settlements have been paid where the pensioner was entitled to less than 5 per cent, and when the rates are increased we pay him the difference.

Mr. BUTLER: Mr. Chairman, I wonder if I might add one word. On general court settlements, so far as any claims we handle are concerned, the usual basis of settlement when the person is killed is, to a large extent, what the expected lifetime earnings of the deceased are.

Mr. STEWART: In some of the provinces it is limited to ten years.

Mr. BUTLER: That is true, but as a general rule of thumb, whatever the period is, it is to replace, to some extent, anyway, the amount the deceased would have earned had he lived.

So far as social legislation is concerned, I still do not see any reason why when it is made on the basis of the earnings expected by the deceased, the